

Commonwealth of Kentucky
Natural Resources and Environmental Protection Cabinet
Department for Environmental Protection
Division for Air Quality
803 Schenkel Lane
Frankfort, Kentucky 40601
(502) 573-3382

AIR QUALITY PERMIT

Permittee Name: Progress Rail Services Corporation
Mailing Address: 1600 Progress Drive, Albertville, AL 35950

Source Name: Progress Rail Services Corporation
Mailing Address: 8587 Railroad Drive
Covington, KY 41015-0399

Source Location: Railroad Drive off Locust Pike

Permit Type: Federally-Enforceable
Review Type: Title V, Synthetic Minor

Permit Number: V-98-038
Log Number: E860
Application
Complete Date: February 13, 1997

KYEIS ID #: 079-2020-0154
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SIC Code: 4789

Region: Florence
County: Kenton

Issuance Date: January 25, 1999
Expiration Date: January 25, 2004

John E. Hornback, Director
Division for Air Quality

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SECTION A - PERMIT AUTHORIZATION

Pursuant to a duly submitted application which was determined to be complete on February 13, 1997, the Kentucky Division for Air Quality hereby authorizes the construction and operation of the equipment described herein in accordance with the terms and conditions of this permit. This permit has been issued under the provisions of Kentucky Revised Statutes Chapter 224 and regulations promulgated pursuant thereto and shall become the final permit unless the U.S. EPA files an objection pursuant to Regulation 401 KAR 50:035, Section 21(3).

The permittee shall not construct, reconstruct, or modify any affected facilities without first having submitted a complete application and receiving a permit for the planned activity from the permitting authority, except as provided in this permit or in the Regulation 401 KAR 50:035, Permits.

Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits, licenses, or approvals required by this Cabinet or any other federal, state, or local agency.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS

01 (01) Grit Blast Booth

Description:

Steel grit abrasive material

92,253 lb paint removed/railcar, 11,760 lb grit used/railcar, 1 railcar blasted/hr

Date Installed:

December 1991

Controls:

Enclosed blast room, 100% capture

Pulse-jet Collector using paper cartridges

APPLICABLE REGULATIONS:

401 KAR 59:010, New process operations which commenced on or after July 2, 1975.

1. Operating Limitations: None

2. Emission Limitations:

- a. Emissions of particulate matter shall not exceed 10.82 lb/hr, as calculated by the equation in Appendix A of 401 KAR 59:010. [401 KAR 59:010, Section 3(2)]

Compliance demonstration method:

Compliance will be determined by daily monitoring of the baghouse pressure drop, daily monitoring of visible emissions, annual calculations, and recordkeeping:

- i. The grit blasting booth is assumed to be in continuous compliance between calculations of emissions at all times that the baghouse is operating properly as defined in **Specific Control Equipment Operating Conditions** below.
- ii. Compliance will not be determined during startup, shutdown, or malfunction, or during periods according to Condition 2 under SECTION E.
- iii. Compliance shall be determined initially and annually by comparing the actual particulate emissions (E_{Actual}) calculated from the equation below to the allowable emissions limit above.

$$E_{Actual} \left(\frac{lb}{hr} \right) = 1 \frac{railcars}{hr} * 281,461 \frac{lb (paint + abrasive) emitted}{railcar} * [1 - Eff]$$

where Eff = control efficiency of the bags as guaranteed by the manufacturer

- b. There shall be no visible emissions greater than or equal to 20% opacity. [401 KAR 59:010 Section 3(1)(a), Standards for Particulate Matter]

Compliance demonstration method:

- i. Compliance will be determined by daily monitoring of visible emissions.
- ii. Compliance will be determined by hourly qualitative visible emissions testing during startup, shutdown, or malfunction, or periods according to Condition 2 under SECTION E.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**01 (01) Grit Blast Booth (continued)****3. Testing Requirements:**

- a. The permittee shall install all new bags and perform a maintenance inspection in the baghouse within 90 days of issuance of this permit. In order to determine the minimum pressure drop for **Specific Control Equipment Operating Conditions** below, the owner or operator shall measure and record the pressure drop across the baghouse and perform a visual emissions inspection while the baghouse fan is operating immediately after the complete bag changeout and inspection of the baghouse.
- b. If the Division requires it, the owner or operator shall perform a Reference Method 5 test, or other methods approved by the Division, to determine the emission rate of particulate matter. [401 KAR 59:010, Section 4(1), Test Methods and Procedures]
- c. If the Division requires it, the owner or operator shall perform a Kentucky Method 150 (F-1) test to determine the opacity of intermittent emissions or a Method 9 test to determine the opacity of continuous emissions. [401 KAR 59:010, Section 4 (5) and (6), Test Methods and Procedures]

4. Specific Monitoring Requirements:

- a. The owner or operator shall calibrate, maintain, and operate according to manufacturer's specifications a monitoring device to continuously measure the pressure drop across the baghouse.
- b. The owner or operator shall record once daily during operation of the grit blast booth the pressure drop across the baghouse.
- c. The owner or operator shall perform once daily during operation of the grit blast booth a qualitative visual emissions inspection (noting color, duration, density (dark or light) and cause of any emissions) of the baghouse exhaust stack. This inspection shall extend through at least one pulse sequence of the baghouse.
- d. During periods of startup, shutdown, or malfunction, or during periods according to Condition 2 under SECTION E, the owner or operator shall perform a qualitative visual emissions inspection (noting color, duration, and density (dark or light)) of the grit blast room exhaust vents once each hour during operation of the booth.
- e. The owner or operator shall perform a maintenance inspection of the baghouse:
 - i. monthly
 - ii. after any daily manual pressure drop recording that is below the minimum pressure drop specified in **Specific Control Equipment Operating Conditions** below
 - iii. after any qualitative visible emissions test which shows visible emissions

5. Specific Recordkeeping Requirements:

The owner or operator shall maintain records of the following information:

- a. Design and/or manufacturer's specifications for the baghouse including manufacturer/vendor recommended operating pressure drop across the baghouse.
- b. The operational procedures and preventive maintenance records for the baghouse.
- c. A log of the daily recorded pressure drops across the baghouse.
- d. A log of the results of the daily qualitative visible emissions inspections.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

01 (01) Grit Blast Booth (continued)

- e. The occurrence and duration of all times that the booth is in operation while the baghouse is not operating properly as defined in **Specific Control Equipment Operating Conditions** below.
- f. The results of any maintenance inspections.
- g. A log of any corrective actions taken.
- h. The daily and monthly number of railcars blasted in the grit blast booth.

6. Specific Reporting Requirements: None

7. Specific Control Equipment Operating Conditions:

- a. The owner or operator shall operate and maintain the baghouse in accordance with manufacturer's specifications and/or standard operating procedures at all times the grit blast booth is in operation.
- b. The owner or operator shall only use bags in the baghouse which are made by the same manufacturer as the baghouse unit and have a manufacturer's guaranteed efficiency of greater than 97%.
- c. The baghouse is operating properly and ensures continuous compliance with the particulate emissions and opacity standards when:
 - i. The pressure drop across the baghouse is above the minimum pressure drop recorded during the most recent complete changeout of bags, and
 - ii. No visible emissions are observed at the baghouse exhaust.

8. Alternate Operating Scenarios: None

9. Compliance Schedule:

- a. The permittee shall not determine continuous compliance with the particulate emissions standards or monitoring parameter limitations until after a complete changeout of the baghouse bags and the measurements of pressure drop across the baghouse immediately before and after bag changeout.
- b. The permittee shall determine compliance with the particulate emissions standard through an initial calculation upon issuance of this permit.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

02-01,02,03 (02) Spray Paint Booth operation

Description: Manually-operated airless spray guns
Valspar paints: black, yellow, and white
40 gal/car, 20 gal/hr maximum capacity
50% transfer efficiency for solids

02-04 (02) Clean-up Solvent

Description: Superior solvent blend S-118

Date Installed: December 1991

Controls: 2 banks of overspray collectors using glass fiber cartridge filters

APPLICABLE REGULATIONS:

401 KAR 59:010, New process operations which commenced on or after July 2, 1975.

401 KAR 59:225, New miscellaneous parts and products surface coating operations which commenced on or after February 4, 1981 and is located in a county designated in 401 KAR 51:010 as nonattainment for ozone for any classification except marginal.

1. Operating Limitations:

The volatile organic compounds (VOC) content of any coating, as applied, (excluding water or exempt solvent or both) used in the process shall not equal or exceed 3.5 lbs/gal in order to preclude applicability of the control requirements of 401 KAR 59:225 Section 3. Clean-up solvent is not considered a coating. [401 KAR 59:225 Section 6(1)(b)]

Compliance demonstration method:

Compliance will be determined through recordkeeping and reporting.

2. Emission Limitations:

- a. Emissions of particulate matter shall not exceed 2.34 lbs/hr. [401 KAR 59:010, Section 3(2)]

Compliance demonstration method:

Compliance will be determined by daily monitoring of the paint spray booth flowrate, daily monitoring of visible emissions, monthly calculations, and recordkeeping:

- i. The spray paint booth is assumed to be in continuous compliance between calculations of emissions at all times that the filter banks are operating properly as defined in **Specific Control Equipment Operating Conditions** below.
- ii. Compliance will not be determined during startup, shutdown, or malfunction, or during periods according to Condition 2 under SECTION E.
- iii. Compliance shall be determined monthly by comparing the actual particulate emissions (E_{Actual}) calculated from the equation below to the allowable emissions limit above.

$$E_{Actual} \left(\frac{lb}{hr} \right) = \frac{\sum \left[\text{Monthly paint usage} \left(\frac{gallons}{month} \right) * \frac{lb \text{ solids}}{gallon} \right] * (1 - 50\% \text{ transfer efficiency})}{\text{Monthly hours of operation} \left(\frac{hr}{month} \right)} * [1 - Eff]$$

where Eff = control efficiency of the filters as guaranteed by the manufacturer

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

02-01,02,03 (02) Spray Paint Booth operation (continued)

- b. There shall be no visible emissions greater than or equal to 20% opacity. [401 KAR 59:010 Section 3(1)(a), Standards for Particulate Matter]

Compliance demonstration methods:

- i. Compliance will be determined by daily monitoring of visible emissions.
 - ii. Compliance will be determined by hourly qualitative visible emissions testing during startup, shutdown, or malfunction, or periods according to Condition 2 under SECTION E.
- c. See Condition 1 of SECTION D for annual VOC emission limit.

3. Testing Requirements:

- a. If the Division requires it, the owner or operator shall perform Reference Method 5 tests, or other methods approved by the Division, to determine the emission rate of particulate matter. [401 KAR 59:010, Section 4(1), Test Methods and Procedures]
- b. If the Division requires it, the owner or operator shall perform Kentucky Method 150 (F-1) tests to determine the opacity of intermittent emissions or Method 9 tests to determine the opacity of continuous emissions. [401 KAR 59:010, Section 4 (5) and (6), Test Methods and Procedures]
- c. If the Division requires it, the owner or operator shall use Reference Method 24, or other methods approved by the Division, to verify that the coatings used at an affected facility meet the exemption requirements in 401 KAR 59:225 Section 6. [401 KAR 59:225, Section 4(4), Compliance]

4. Specific Monitoring Requirements:

- a. The owner or operator shall calibrate, maintain, and operate according to manufacturer's specification a monitoring device to measure the flowrate in the spray paint booth.
- b. The owner or operator shall record once daily, during operation of the booth, the flowrate in the spray paint booth.
- c. The owner or operator shall perform once daily, during operation of the booth, a qualitative visual emissions inspection (noting color, duration, density (dark or light) and cause of any emissions) of the spray paint booth exhaust vents.
- d. During periods of startup, shutdown, or malfunction, or periods according to Condition 2 under SECTION E, the owner or operator shall perform a qualitative visual emissions inspection (noting color, duration, and density (dark or light)) of the filter bank exhaust stacks once each hour during operation of the booth.
- e. The owner or operator shall perform a maintenance inspection of the filter banks:
 - i. monthly
 - ii. after any daily flowrate check that is equal to or below the minimum flowrate specified in **Specific Control Equipment Operating Conditions** below
 - iii. after any qualitative visible emissions test which shows visible emissions.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**02-01,02,03 (02) Spray Paint Booth operation (continued)****5. Specific Recordkeeping Requirements:**

- a. The owner or operator shall maintain records of the following information:
 - i. Design and/or manufacturer's specifications for the filter banks.
 - ii. The operational procedures and preventive maintenance records for the filter banks.
 - iii. A log of the daily recorded flowrates in the spray paint booth.
 - iv. A log of the daily qualitative visible emissions inspections.
 - v. The occurrence and duration of all times that the booth is in operation while the filter banks are not operating properly as defined in **Specific Control Equipment Operating Conditions** below.
 - vi. The results of any maintenance inspections.
 - vii. A log of any corrective actions taken.
 - viii. The solids content as applied in each coating
 - ix. The daily and monthly hours of operation of the spray paint booth.
- b. Daily records shall be maintained by the owner or operator for 5 years. These records shall be made available to the Division or the U.S. EPA upon request. The daily records shall include, but not be limited to, the following: [401 KAR 59:225, Section 4(8), Compliance; Condition 2 under SECTION F]
 - i. Applicable administrative regulation number
 - ii. Application method and substrate type
 - iii. Amount and type of adhesive, coating, or solvent used at each point of application, including exempt compounds
 - iv. The VOC content as applied in each adhesive, coating, or solvent
 - v. The date for each application for adhesive, coating, or solvent; and
 - vi. The amount of surface preparation, cleanup, or washup solvent (including exempt compounds) used and the VOC content of each.

6. Specific Reporting Requirements:

See Condition 2 under SECTION D for monthly VOC emissions reporting.

7. Specific Control Equipment Operating Conditions:

- a. The owner or operator shall operate and maintain the filter bank in accordance with manufacturer's specifications and/or standard operating procedures at all times the spray paint booth is in operation.
- b. The owner or operator shall only use filters in the filter banks which are made by the same manufacturer as the filter bank units and have a manufacturer's guaranteed efficiency of greater than 96%.
- c. The filter banks are operating properly when:
 - i. The flowrate in the paint spray booth is above 100 fpm, and
 - ii. No visible emissions are observed at the filter bank exhausts.

8. Alternate Operating Scenarios: None

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

05-01,02 (--)

Stencil Room Painting**Description:**

Manually-operated air guns, spray cans and brushes

Clean-up is in the Bucket Parts Washer

Date Installed:

April 1992

Controls:

None

APPLICABLE REGULATIONS:

401 KAR 59:010, New process operations which commenced on or after July 2, 1975.

401 KAR 59:225, New miscellaneous parts and products surface coating operations which commenced on or after February 4, 1981 and is located in a county designated in 401 KAR 51:010 as nonattainment for ozone for any classification except marginal

1. Operating Limitations:

The volatile organic compounds (VOC) content of any coating, as applied, (excluding water or exempt solvent or both) used in the process shall not equal or exceed 3.5 lbs/gal in order to preclude applicability of the control requirements of 401 KAR 59:225 Section 3. Clean-up solvent is not considered a coating. [401 KAR 59:225 Section 6(1)(b)]

Compliance demonstration method:

Compliance will be determined through recordkeeping and reporting.

2. Emission Limitations:

- a. Emissions of particulate matter shall not exceed 2.34 lbs/hr. [401 KAR 59:010, Section 3(2)]

Compliance demonstration method:

Compliance will be determined by recordkeeping and monthly calculations:

- i. The stencil room painting is assumed to be in continuous compliance between calculations of emissions.
- ii. Compliance shall be determined monthly by comparing the actual particulate emissions (E_{Actual}) calculated from the equation below to the allowable emissions limit above.

$$E_{Actual} \left(\frac{lb}{hr} \right) = \frac{\sum \left[\text{Monthly paint usage} \left(\frac{gallons}{month} \right) * \frac{lb \text{ solids}}{gallon} \right] * (1 - 50\% \text{ transfer efficiency})}{\text{Monthly hours of operation} \left(\frac{hr}{month} \right)}$$

- b. There shall be no visible emissions greater than or equal to 20% opacity. [401 KAR 59:010 Section 3(1)(a), Standards for Particulate Matter]

Compliance demonstration methods:

The stencil room painting is assumed to be in continuous compliance at all times with no compliance demonstration necessary.

- c. See Condition 1 of SECTION D for annual VOC emission limit.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

05-01,02 (--) Stencil Room Painting (continued)

3. Testing Requirements:

- a. If the Division requires it, the owner or operator shall perform a Reference Method 5 test, or other methods approved by the Division, to determine the emission rate of particulate matter. [401 KAR 59:010, Section 4(1), Test Methods and Procedures]
- b. If the Division requires it, the owner or operator shall perform a Kentucky Method 150 (F-1) test, or other methods approved by the Division, to determine the opacity of intermittent emissions or a Method 9 test to determine the opacity of continuous emissions. [401 KAR 59:010, Section 4 (5) and (6), Test Methods and Procedures]
- c. If the Division requires it, the owner or operator shall use Reference Method 24, or other methods approved by the Division, to verify that the coatings used at an affected facility meet the exemption requirements in 401 KAR 59:225 Section 6. [401 KAR 59:225, Section 4(4), Compliance]

4. Specific Monitoring Requirements: None

5. Specific Recordkeeping Requirements:

- a. The owner or operator shall maintain records of the following information:
 - i. The solids content as applied in each coating
 - ii. The daily and monthly hours of operation of the stencil room painting.
- b. Daily records shall be maintained by the owner or operator for 5 years. These records shall be made available to the Division or the U.S. EPA upon request. The daily records shall include, but not be limited to, the following: [401 KAR 59:225, Section 4(8), Compliance; Condition 2 under SECTION F]
 - i. Applicable administrative regulation number
 - ii. Application method and substrate type
 - iii. Amount and type of adhesive, coating, or solvent used at each point of application, including exempt compounds
 - iv. The VOC content as applied in each adhesive, coating, or solvent
 - v. The date for each application for adhesive, coating, or solvent; and
 - vi. The amount of surface preparation, cleanup, or washup solvent (including exempt compounds) used and the VOC content of each

6. Specific Reporting Requirements:

See Condition 2 under SECTION D for monthly VOC emissions reporting.

7. Specific Control Equipment Operating Conditions: None

8. Alternate Operating Scenarios: None

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

06 (--) Bucket Parts Washer

Description: Located in stencil room or paint kitchen in existing shop

Cold Cleaner

Superior solvent blend S-118 with volatility greater than 32 mmHg @ 100°F

Date Installed: March 1997

Controls: Design and operating requirements listed below

APPLICABLE REGULATIONS:

401 KAR 59:185, New solvent metal cleaning equipment which commenced operation on or after June 2, 1979 and is located in a county designated in 401 KAR 51:010 as nonattainment for ozone for any classification except marginal

1. Operating Limitations:

- a. The owner or operator shall install, maintain and operate the following control equipment: [401 KAR 59:185 Section 3, Standard for Volatile Organic Compounds, and Section 4(1), Cold Cleaners]
 - i. The cleaner shall be equipped with a cover designed so that it can be easily operated with one hand.
 - ii. The cleaner shall be equipped with a drainage facility so that solvent that drains off parts removed from the cleaner will return to the cleaner. The drainage facility may be external if the Division determines that an internal type cannot fit into the cleaning system.
 - iii. A permanent, conspicuous label, summarizing the operating requirements specified in 401 KAR 59:185 Section 2, which are listed in Condition b. below, shall be installed on or near the cleaner.
 - iv. The solvent spray shall be a fluid stream (not a fine, atomized or shower type spray) and at a pressure which does not cause excessive splashing.
 - v. A control device shall be used that is equivalent to a freeboard ratio greater than or equal to 0.7, a water cover, a refrigerated chiller, or carbon adsorption.

Compliance demonstration method:

Compliance will be satisfied by incorporation of the above requirements into the design of the parts washer, including a freeboard ratio greater than 0.7.

- b. The owner or operator shall observe at all times the following operating requirements: [401 KAR 59:185 Section 3, Standard for Volatile Organic Compounds and Section 4(2), Cold Cleaners]
 - i. Waste solvent shall not be disposed of or transferred to another party so that greater than twenty (20) percent by weight of the waste solvent can evaporate into the atmosphere. Waste solvent shall be stored only in covered containers.
 - ii. Degreaser cover shall be closed if not handling parts in the cleaner.
 - iii. Cleaned parts shall be drained at least 15 seconds until dripping ceases.

Compliance demonstration method:

The owner or operator shall implement and follow an operating plan incorporating the above operating requirements.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

06 (--) Bucket Parts Washer (continued)

2. Emission Limitations:

See Condition 1 of SECTION D for annual VOC emission limit.

3. Testing Requirements: None

4. Specific Monitoring Requirements: None

5. Specific Recordkeeping Requirements:

The owner or operator shall maintain records of the monthly usage in gallons and the VOC content of each solvent used.

6. Specific Reporting Requirements:

See Condition 2 under SECTION D for monthly VOC emissions reporting.

7. Specific Control Equipment Operating Conditions: None

8. Alternate Operating Scenarios: None

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

04-01,02,03 (--)

New Shop Painting

Description:

Manually-operated spray cans, hand pump, and brushes

Aerosol Paint (A), Silicone Sealant (G), and White Paint (F)

Date Installed:

1995

Controls:

None

APPLICABLE REGULATIONS:

401 KAR 59:010, New process operations which commenced on or after July 2, 1975.

401 KAR 59:225, New miscellaneous parts and products surface coating operations which commenced on or after February 4, 1981 and is located in a county designated in 401 KAR 51:010 as nonattainment for ozone for any classification except marginal.

1. **Operating Limitations:**

The volatile organic compounds (VOC) content of any coating, as applied, (excluding water or exempt solvent or both) used in the process shall not equal or exceed 3.5 lbs/gal in order to preclude applicability of the control requirements of 401 KAR 59:225 Section 3. Clean-up solvent is not considered a coating. [401 KAR 59:225 Section 6(1)(b)]

Compliance demonstration method:

Compliance will be determined through recordkeeping and reporting.

2. **Emission Limitations:**

- a. Emissions of particulate matter shall not exceed 2.34 lbs/hr. [401 KAR 59:010, Section 3(2)]

Compliance demonstration method:

Compliance will be determined by recordkeeping and monthly calculations:

- i. The painting operation is assumed to be in continuous compliance between calculations of emissions.
- ii. Compliance shall be determined monthly by comparing the actual particulate emissions (E_{Actual}) calculated from the equation below to the allowable emissions limit above.

$$E_{\text{Actual}} \left(\frac{\text{lb}}{\text{hr}} \right) = \frac{\sum \left[\text{Monthly paint usage} \left(\frac{\text{gallons}}{\text{month}} \right) * \frac{\text{lb solids}}{\text{gallon}} \right] * (1 - 50\% \text{ transfer efficiency})}{\text{Monthly hours of operation} \left(\frac{\text{hr}}{\text{month}} \right)}$$

- b. There shall be no visible emissions greater than or equal to 20% opacity. [401 KAR 59:010 Section 3(1)(a), Standards for Particulate Matter]

Compliance demonstration methods:

The painting operation is assumed to be in continuous compliance at all times with no compliance demonstration necessary.

- c. Total VOC emissions from the New Shop painting operation shall not equal or exceed 86 tons per year, based on a 12-month rolling total, in order to preclude applicability of 401 KAR 51:052, Review of new sources in or impacting upon nonattainment areas.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**04-01,02,03 (--) New Shop Painting (continued)****Compliance demonstration methods:**

Compliance will be determined monthly by recordkeeping and the following calculation, which includes all paints, thinners, and solvents used at this affected facility:

$$Total\ VOC\ (\frac{tons}{year}) = \sum [\frac{lb\ VOC}{gal} * \frac{gal\ used}{previous\ 12\ months}] * \frac{tons}{2000\ lb}$$

3. Testing Requirements:

- a. If the Division requires it, the owner or operator shall perform a Reference Method 5 test, or equivalent test methods subject to approval by the Division, to determine the emission rate of particulate matter. [401 KAR 59:010, Section 4(1), Test Methods and Procedures]
- b. If the Division requires it, the owner or operator shall perform a Kentucky Method 150 (F-1) test, or other methods approved by the Division, to determine the opacity of intermittent emissions or a Method 9 test to determine the opacity of continuous emissions. [401 KAR 59:010, Section 4 (5) and (6), Test Methods and Procedures]
- c. If the Division requires it, the owner or operator shall use Reference Method 24, or other methods approved by the Division, to verify that the coatings used at an affected facility meet the exemption requirements in 401 KAR 59:225 Section 6. [401 KAR 59:225, Section 4(4), Compliance]

4. Specific Monitoring Requirements: None**5. Specific Recordkeeping Requirements:**

- a. The owner or operator shall maintain records of the following information:
 - i. The solids content as applied in each coating
 - ii. The daily and monthly hours of operation of the stencil room painting.
- b. Daily records shall be maintained by the owner or operator for 5 years. These records shall be made available to the Division or the U.S. EPA upon request. The daily records shall include, but not be limited to, the following: [401 KAR 59:225, Section 4(8), Compliance; Condition 2 under SECTION F]
 - i. Applicable administrative regulation number
 - ii. Application method and substrate type
 - iii. Amount and type of adhesive, coating, or solvent used at each point of application, including exempt compounds
 - iv. The VOC content as applied in each adhesive, coating, or solvent
 - v. The date for each application for adhesive, coating, or solvent; and
 - vi. The amount of surface preparation, cleanup, or washup solvent (including exempt compounds) used and the VOC content of each.

6. Specific Reporting Requirements:

See Condition 2 under SECTION D for monthly VOC emissions reporting.

7. Specific Control Equipment Operating Conditions: None**8. Alternate Operating Scenarios: None**

SECTION C - INSIGNIFICANT ACTIVITIES

The following listed activities have been determined to be insignificant activities for this source pursuant to Regulation 401 KAR 50:035, Section 5(4). While these activities are designated as insignificant the permittee must comply with the applicable regulation and some minimal level of periodic monitoring may be necessary.

<u>Description</u>	<u>Generally Applicable Regulation</u>
1. Paint Booth Direct Heater	None
2. Dry Room Indirect Heaters	None
3. Stencil Room Indirect Heaters	None
4. Electric Arc Welding	401 KAR 59:010
5. Arc Gouging	401 KAR 59:010
6. Oxygen/Fuel Cutting	401 KAR 59:010
7. Grinding	401 KAR 59:010
8. New Shop Cold Cleaner Degreasers	401 KAR 59:185 exempt per 401 KAR 59:185 Section 8
9. Caulking	401 KAR 59:010
10. Fiberglass Work	None
11. Office 270,000 Btu/hr Propane Heater	None
12. Locker Room 180,000 Btu/hr Propane Heater	None
13. 275 Gallon DEC Diesel Fuel Tank	None
14. 275 Gallon DEC Gasoline Fuel Tank	None
15. Diesel Locomotive Fuel Tank	None
16. Paved/unpaved Road Dust	401 KAR 63:010
17. (6) 1000 Gallon Propane Fuel Tanks	None

SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS**1. Emission Limitations:**

Total VOC emissions from Spray Paint Booth EP 02 (02), Stencil Room Painting EP 05 (--), and Bucket Parts Washer EP 06 (--) shall not equal or exceed 89 tons per year, based on a 12-month rolling total, in order to preclude applicability of 401 KAR 51:052, Review of new sources in or impacting upon nonattainment areas.

Compliance demonstration methods:

Compliance will be determined monthly by recordkeeping and the following calculation, which includes all paints, thinners, and solvents used at these affected facilities:

$$Total\ VOC\ (\frac{tons}{year}) = \sum [\frac{lb\ VOC}{gal} * \frac{gal\ used}{previous\ 12\ months}] * \frac{tons}{2000\ lb}$$

2. The permittee shall submit monthly reports to the Division within thirty days after the end of each month containing the following information for the Spray Paint Booth EP 02 (02), Stencil Room Painting EP 05 (--), and Bucket Parts Washer EP 06 (--); and for the New Shop Painting EP 04 (--):
 - a. The monthly usage and VOC content of each paint, mixed paint system, and cleanup solvent used during the month
 - b. The compliance calculations for the monthly total and rolling 12-month total VOC emissions.
3. Pursuant to 401 KAR 59:005 Section 3(2), the permittee shall maintain records of the occurrence, duration, and cause of any start-up, shutdown, or malfunction in the operation of an affected facility; any malfunction of the air pollution control equipment; or any periods during which a monitoring device is inoperative, for each affected facility in SECTION B.
4. Particulate and VOC emissions, as measured by methods referenced in 401 KAR 50:015, Section 1, shall not exceed the respective limitations specified herein.
5. Compliance with annual emissions and processing limitations imposed pursuant to 401 KAR 50:035, Section 7(1)(a), and contained in this permit, shall be based on emissions and processing rates for any twelve (12) consecutive months.

SECTION E - SOURCE CONTROL EQUIPMENT REQUIREMENTS

1. Pursuant to 401 KAR 50:055, Section 2(5), at all times, including periods of startup, shutdown and malfunction, owners and operators shall, to the extent practicable, maintain and operate any affected facility including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Division which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source.
2. The grit blast booth and spray paint booth shall be considered to be in compliance with Condition 1 above during a period not to exceed 3 hours when the permittee may operate each booth with its baghouse or filter banks not operating properly, as defined in the **Specific Control Equipment Operating Conditions** in SECTION B. After 3 hours the baghouse or filter banks shall be operating properly or the booth shall be shut down until the baghouse or filter banks are operating properly.

SECTION F - MONITORING, RECORD KEEPING, AND REPORTING REQUIREMENTS

1. When continuing compliance is demonstrated by periodic testing or instrumental monitoring, the permittee shall compile records of required monitoring information that include:
 - a. Date, place as defined in this permit, and time of sampling or measurements.
 - b. Analyses performance dates;
 - c. Company or entity that performed analyses;
 - d. Analytical techniques or methods used;
 - e. Analyses results; and
 - f. Operating conditions during time of sampling or measurement;
2. Records of all required monitoring data and support information, including calibrations, maintenance records, and original strip chart recordings, and copies of all reports required by the Division for Air Quality, shall be retained by the permittee for a period of five years and shall be made available for inspection upon request by any duly authorized representative of the Division for Air Quality. [401 KAR 50:035, Permits, Section 7(1)(d)2 and 401 KAR 50:035, Permits, Section 7(2)(c)]
3. In accordance with the requirements of Regulation 401 KAR 50:035, Permits, Section 7(2)(c) the permittee shall allow the Cabinet or authorized representatives to perform the following:
 - a. Enter upon the premises where a source is located or emissions-related activity is conducted, or where records are kept;
 - b. Have access to and copy, at reasonable times, any records required by the permit:
 - i. During normal office hours, and
 - ii. During periods of emergency when prompt access to records is essential to proper assessment by the Cabinet;
 - c. Inspect, at reasonable times, any facilities, equipment (including monitoring and pollution control equipment), practices, or operations required by the permit. Reasonable times shall include, but are not limited to the following:
 - i. During all hours of operation at the source,
 - ii. For all sources operated intermittently, during all hours of operation at the source and the hours between 8:00 a.m. and 4:30 p.m., Monday through Friday, excluding holidays, and
 - iii. During an emergency; and
 - d. Sample or monitor, at reasonable times, substances or parameters to assure compliance with the permit or any applicable requirements. Reasonable times shall include, but are not limited to the following:
 - i. During all hours of operation at the source,
 - ii. For all sources operated intermittently, during all hours of operation at the source and the hours between 8:00 a.m. and 4:30 p.m., Monday through Friday, excluding holidays, and
 - iii. During an emergency.
4. No person shall obstruct, hamper, or interfere with any Cabinet employee or authorized representative while in the process of carrying out official duties. Refusal of entry or access may constitute grounds for permit revocation and assessment of civil penalties.

SECTION F - MONITORING, RECORD KEEPING, AND REPORTING REQUIREMENTS (CONTINUED)

5. Reports of any testing and monitoring required by this permit shall be reported to the Division's Florence Regional Office no later than the six-month anniversary date of this permit and every six months thereafter during the life of this permit, unless otherwise stated in this permit. All reports shall be certified by a responsible official pursuant to Section 6(1) of Regulation 401 KAR 50:035, Permits. All deviations from permit requirements shall be clearly identified in the reports.
6. a. In accordance with the provisions of Regulation 401 KAR 50:055, Section 1 the permittee shall notify the Division for Air Quality's Florence Regional Office concerning startups, shutdowns, or malfunctions as follows:
 1. When emissions during any planned shutdowns and ensuing startups will exceed the standards, notification shall be made no later than three (3) days before the planned shutdown, or immediately following the decision to shut down, if the shutdown is due to events which could not have been foreseen three (3) days before the shutdown.
 2. When emissions due to malfunctions, unplanned shutdowns and ensuing startups are or may be in excess of the standards, notification shall be made as promptly as possible by telephone (or other electronic media) and shall cause written notice upon request.
- b. In accordance with the provisions of Regulation 401 KAR 50:035, Section 7(1)(e)2, the permittee shall promptly report deviations from permit requirements including those attributed to upset conditions (other than emission exceedances covered by general condition 6 a. above) to the Division for Air Quality's Florence Regional Office. Prompt reporting shall be defined as follows:
 - i. For short-term (less than 3 hours durations) excursions or failure to record the parameters used to monitor the performance of control devices, the permittee shall include a summary of the excursions in the bi-annual reporting required by Condition 5 of SECTION F.
 - ii. For longer periods of excursion(s) or inability to record monitoring parameters, the permittee shall contact the Florence Regional office within 72 hours (excluding weekends and holidays).
 - iii. In the event that the permittee is unable to fulfill a requirement (such as a performance test, compliance certification submittal) within the timeframe specified herein, the permittee shall contact the Florence Regional Office and the Frankfort Central office within 72 hours of expiration of the relevant timeframe. Extensions of the timeframes specified herein may be granted by the Division upon a satisfactory request showing that an extension is justified.

SECTION F - MONITORING, RECORD KEEPING, AND REPORTING REQUIREMENTS (CONTINUED)

7. Pursuant to Regulation 401 KAR 50:035, Permits, Section 7(2)(b), the permittee shall certify compliance with the terms and conditions contained in this permit, annually on the permit issuance anniversary date by completing and returning a Compliance Certification Form (DEP 7007CC) (or an approved alternative) to the Division for Air Quality's Florence Regional Office and the U.S. EPA in accordance with the following requirements:
 - a. Identification of each term or condition of the permit that is the basis of the certification;
 - b. The compliance status regarding each term or condition of the permit;
 - c. Whether compliance was continuous or intermittent; and
 - d. The method used for determining the compliance status for the source, currently and over the reporting period, pursuant to 401 KAR 50:035, Section 7(1)(c),(d), and (e).
 - e. The certification shall be postmarked by the thirtieth (30) day following the applicable permit issuance anniversary date.

Annual compliance certifications should be mailed to the following addresses:

Division for Air Quality
Florence Regional Office
8020 Ewing Blvd., Suite 110
Florence, KY 41042

U.S. EPA Region IV
Air Enforcement Branch
Atlanta Federal Center
61 Forsyth St.
Atlanta, GA 30303-8960

Division for Air Quality
Central Files
803 Schenkel Lane
Frankfort, KY 40510

8. In accordance with Regulation 401 KAR 50:035, Section 23, the permittee shall provide the division with all information necessary to determine its subject emissions within thirty (30) days of the date the KEIS emission report is mailed to the permittee.
9. Pursuant to Section VII.3 of the policy manual of the Division for Air Quality as referenced by Regulation 401 KAR 50:016, Section 1(1), results of performance test(s) required by the permit shall be submitted to the division by the source or its representative within forty-five days after the completion of the fieldwork.

SECTION G - GENERAL CONDITIONS

(a) General Compliance Requirements

1. The permittee shall comply with all conditions of this permit. A noncompliance shall be (a) violation(s) of state regulation 401 KAR 50:035, Permits, Section 7(3)(d) and for federally enforceable permits is also a violation of Federal Statute 42 USC 7401 through 7671q (the Clean Air Act) and is grounds for enforcement action including but not limited to the termination, revocation and reissuance, or revision of this permit.
2. The filing of a request by the permittee for any permit revision, revocation, reissuance, or termination, or of a notification of a planned change or anticipated noncompliance, shall not stay any permit condition.
3. This permit may be revised, revoked, reopened and reissued, or terminated for cause. The permit will be reopened for cause and revised accordingly under the following circumstances:
 - a. If additional applicable requirements become applicable to the source and the remaining permit term is three (3) years or longer. In this case, the reopening shall be completed no later than eighteen (18) months after promulgation of the applicable requirement. A reopening shall not be required if compliance with the applicable requirement is not required until after the date on which the permit is due to expire, unless this permit or any of its terms and conditions have been extended pursuant to Regulation 401 KAR 50:035, Section 12(2)(c);
 - b. The Cabinet or the U. S. EPA determines that the permit must be revised or revoked to assure compliance with the applicable requirements;
 - c. The Cabinet or the U. S. EPA determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit;

Proceedings to reopen and reissue a permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of the permit for which cause to reopen exists. Reopenings shall be made as expeditiously as practicable. Reopenings shall not be initiated before a notice of intent to reopen is provided to the source by the division, at least thirty (30) days in advance of the date the permit is to be reopened, except that the division may provide a shorter time period in the case of an emergency.
4. The permittee shall furnish to the division, in writing, information that the division may request to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit, or to determine compliance with the permit. [401 KAR 50:035, Permits, Section 7(2)(b)3e and 401 KAR 50:035, Permits, Section 7(3)(j)]
5. The permittee, upon becoming aware that any relevant facts were omitted or incorrect information was submitted in the permit application, shall promptly submit such supplementary facts or corrected information to the permitting authority.
6. Any condition or portion of this permit which becomes suspended or is ruled invalid as a result of any legal or other action shall not invalidate any other portion or condition of this permit. [401 KAR 50:035, Permits, Section 7(3)(k)]

SECTION G - GENERAL CONDITIONS (CONTINUED)

7. The permittee shall not use as a defense in an enforcement action the contention that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance. [401 KAR 50:035, Permits, Section 7(3)(e)]
8. Except as identified as state-origin requirements in this permit, all terms and conditions contained herein shall be enforceable by the United States Environmental Protection Agency and citizens of the United States.
9. This permit shall be subject to suspension if the permittee fails to pay all emissions fees within 90 days after the date of notice as specified in 401 KAR 50:038, Section 3(6). [401 KAR 50:035, Permits, Section 7(3)(h)]
10. Nothing in this permit shall alter or affect the liability of the permittee for any violation of applicable requirements prior to or at the time of permit issuance. [401 KAR 50:035, Permits, Section 8(3)(b)]
11. This permit shall not convey property rights or exclusive privileges. [401 KAR 50:035, Permits, Section 7 (3)(g)]
12. Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits, licenses, or approvals required by the Kentucky Cabinet for Natural Resources and Environmental Protection or any other federal, state, or local agency.
13. Nothing in this permit shall alter or affect the authority of U.S. EPA to obtain information pursuant to Federal Statute 42 USC 7414, Inspections, monitoring, and entry. [401 KAR 50:035, Permits, Section 7(2)(b)5]
14. Nothing in this permit shall alter or affect the authority of U.S. EPA to impose emergency orders pursuant to Federal Statute 42 USC 7603, Emergency orders. [401 KAR 50:035, Permits, Section 8(3)(a)]
15. Permit Shield: Except as provided in State Regulation 401 KAR 50:035, Permits, compliance by the affected facilities listed herein with the conditions of this permit shall be deemed to be compliance with all applicable requirements identified in this permit as of the date of issuance of this permit.
16. All previously issued construction and operating permits are hereby null and void.

SECTION G - GENERAL CONDITIONS (CONTINUED)

(b) Permit Expiration and Reapplication Requirements

This permit shall remain in effect for a fixed term of five (5) years following the original date of issue. Permit expiration shall terminate the source's right to operate unless a timely and complete renewal application has been submitted to the division at least six months prior to the expiration date of the permit. Upon a timely and complete submittal, the authorization to operate within the terms and conditions of this permit, including any permit shield, shall remain in effect beyond the expiration date, until the renewal permit is issued or denied by the Division. [401 KAR 50:035, Permits, Section 12]

(c) Permit Revisions

1. A minor permit revision procedure may be used for permit revisions involving the use of economic incentive, marketable permit, emission trading, and other similar approaches, to the extent that these minor permit revision procedures are explicitly provided for in the SIP or in applicable requirements and meet the relevant requirements of Regulation 401 KAR 50:035, Section 15.
2. This permit is not transferable by the permittee. Future owners and operators shall obtain a new permit from the Division for Air Quality. The new permit may be processed as an administrative amendment if no other change in this permit is necessary, and provided that a written agreement containing a specific date for transfer of permit responsibility coverage and liability between the current and new permittee has been submitted to the permitting authority thirty (30) days in advance of the transfer.

(d) Construction, Start-Up, and Initial Compliance Demonstration Requirements

Not Applicable

(e) Acid Rain Program Requirements

If an applicable requirement of Federal Statute 42 USC 7401 through 7671q (the Clean Air Act) is more stringent than an applicable requirement promulgated pursuant to Federal Statute 42 USC 7651 through 7651o (Title IV of the Act), both provisions shall apply, and both shall be state and federally enforceable.

SECTION G - GENERAL CONDITIONS (CONTINUED)

(f) Emergency Provisions

1. An emergency shall constitute an affirmative defense to an action brought for noncompliance with the technology-based emission limitations if the permittee demonstrates through properly signed contemporaneous operating logs or other relevant evidence that:
 - a. An emergency occurred and the permittee can identify the cause of the emergency;
 - b. The permitted facility was at the time being properly operated;
 - c. During an emergency, the permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards or other requirements in the permit; and,
 - d. The permittee notified the division as promptly as possible and submitted written notice of the emergency to the division within two working days after the time when emission limitations were exceeded due to the emergency. The notice shall meet the requirements of 401 KAR 50:035, Permits, Section 7(1)(e)2, and include a description of the emergency, steps taken to mitigate emissions, and the corrective actions taken. This requirement does not relieve the source of any other local, state or federal notification requirements.
2. Emergency conditions listed in General Condition (f)1 above are in addition to any emergency or upset provision(s) contained in an applicable requirement.
3. In an enforcement proceeding, the permittee seeking to establish the occurrence of an emergency shall have the burden of proof. [401 KAR 50:035, Permits, Section 9(3)]

(g) Risk Management Provisions

1. The permittee shall comply with all applicable requirements of 40 CFR Part 68, Risk Management Plan provisions. If required, the permittee shall:
 - a. Submit a Risk Management Plan to U.S.EPA, Region IV with a copy to this division and comply with the Risk Management Program by June 21, 1999 or a later date specified by the U.S.EPA.
 - b. Submit additional relevant information if requested by the division or the U.S. EPA.

SECTION G - GENERAL CONDITIONS (CONTINUED)

(h) Ozone depleting substances

1. The permittee shall comply with the standards for recycling and emissions reduction pursuant to 40 CFR 82, Subpart F, except as provided for Motor Vehicle Air Conditioners (MVACs) in Subpart B:
 - a. Persons opening appliances for maintenance, service, repair, or disposal shall comply with the required practices contained in 40 CFR 82.156.
 - b. Equipment used during the maintenance, service, repair, or disposal of appliances shall comply with the standards for recycling and recovery equipment contained in 40 CFR 82.158.
 - c. Persons performing maintenance, service, repair, or disposal of appliances shall be certified by an approved technician certification program pursuant to 40 CFR 82.161.
 - d. Persons disposing of small appliances, MVACs, and MVAC-like appliances (as defined at 40 CFR 82.152) shall comply with the recordkeeping requirements pursuant to 40 CFR 82.166.
 - e. Persons owning commercial or industrial process refrigeration equipment shall comply with the leak repair requirements pursuant to 40 CFR 82.156.
 - f. Owners/operators of appliances normally containing 50 or more pounds of refrigerant shall keep records of refrigerant purchased and added to such appliances pursuant to 40 CFR 82.166.
2. If the permittee performs service on motor (fleet) vehicle air conditioners containing ozone-depleting substances, the source shall comply with all applicable requirements as specified in 40 CFR 82, Subpart B, Servicing of Motor Vehicle Air Conditioners.

SECTION H - ALTERNATE OPERATING SCENARIOS

Not applicable

SECTION I - COMPLIANCE SCHEDULE

Not applicable